MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2019/2020

BED2084 – DEVELOPMENT ECONOMICS

(All sections / Groups)

22 OCTOBER 2019
2.30 p.m. – 4.30 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of **TWO (2)** pages with **FOUR (4)** Structured Questions.

2. Attempt **ALL** questions. The distribution of the marks for each question is given.

3. Answer in the answer booklet provided.

ANSWER ALL QUESTIONS (100 MARKS)

QUESTION 1 (25 MARKS)

A) Identify the relationship between a Lorenz curve and a Gini coefficient. Give some examples of how Lorenz curves and Gini coefficients can be used as summary measures of equality and inequality. (7 marks)

B) Analyse Amartya Sen's **FIVE (5)** components for assessing Capability in the Capability Approach for development. (10 marks)

C) Evaluate how the Harrod-Domar growth model; while extremely limited, provides important insights into the growth process. (8 marks)

QUESTION 2 (25 MARKS)

A) Analyse the O-Ring theory of Economic Development. (10 marks)

B) Determine the objectives of Development. (5 marks)

C) Evaluate **FIVE (5)** types of poverty policies have proved effective. (10 marks)

QUESTION 3 (25 MARKS)

A) Analyse **FIVE (5)** problems for implementation of development planning in developing countries. (10 marks)

B) Examine the **THREE (3)** step process for calculating social profit of investment in project appraisal (10 marks)

C) Evaluate the **TWO (2)** important theorems of Factor Endowment Trade Theory.

(5 marks)

Continued...

QUESTION 4 (25 MARKS)

A) Analyse any **FIVE (5)** policy options available for the government in developing countries to improve the environment development. (15 marks)

B) Identify **FIVE (5)** factors influencing the taxation potential of a country.

(10 marks)

End of Page